

APPLICATION
TO ADD AN OCCUPATIONAL GROUP
TO FIELD OF MEMBERSHIP

(Last revised April 29, 1998)

In part, the Washington Credit Union Act permits a state credit union to add occupational groups to its field of membership. RCW 31.12.382 and Chapter 208-472 WAC. As used below, the term “occupational” includes a group having a common bond of occupation as defined in WAC 208-472-015 (3).

Occupation:

Be sure occupation meets definition under WAC 208-472-015 (3).

- group of natural persons based on employment
- or work-related relationship with an enterprise.
- (the below list must be identified separately in the by-laws)
- employees of the enterprise and their families members.
- employees of any subsidiary of the enterprise and their family members.
- employees of affiliates (see WAC 208-472-015 (1)) of the enterprise and their family members .
- non-employee officials of the enterprise and their family members.
- natural persons under contract to work regularly for the enterprise and their family members.

Statutes and Rules for Occupation FOM:

RCW 31.12.065 (bylaws – submitted to the Division)

RCW 31.12.115 (by-law amendments)

RCW 31.12.382 (limitation on membership)

RCW 31.12.384 (membership)

WAC 208-472-015 (definitions)

WAC 208-472-020 (application)

WAC 208-472-025 (required application information)

WAC 208-472-041 (small occupation groups)

WAC 208-472-075 (approval requirements)

WAC 208-472-070 (when application deemed complete)

WAC 208-472-075 (approval of application)

WAC 208-472-080 (special circumstances)

Instructions:

1. WAC 208-472-020 application (sent bylaw in duplicate?)
 - 1a. WAC 208-472-025 (a) name of credit union WAC 208-472-025 (a)

- 1b. WAC 208-472-025 (b) statement that board complied with RCW 31.12.115
2. WAC 208-472-025 (c) description of enterprise, including name, number of employees, geographic location of employees (check identification of employees under WAC 208-472-015 (3)).
3. WAC 208-472-025 (d) statement from an officer of the enterprise that:
 - 3a. enterprise desires membership for its employees in applicant credit union.
 - 3b. whether its employees are currently eligible for membership based on their employment with the enterprise, in another state or federal chartered credit union. If eligible, applicant credit union must make best effort to provide a statement of non-objection from the other credit union.
4. WAC 208-472-025 (2a) If potential members (see WAC 208-472-015 (7)) exceeds 120% of the number of actual members:
 - 4a. submit copy of most recent monthly financial statement.
 - 4b. submit copy of plan (not business plan since this application and its documents are public records) or other documents demonstrating its ability and intent to provide services to new group and specific plans relating to anticipated growth to capital levels.
5. WAC 208-472-025 (2b) If potential members (see WAC 208-472-015 (7)) exceed 500:
 - 5a. an analysis whether group has sufficient size and resources to form credit union of its own.
 - 5b. documentation concerning compliance with previously submitted plans on penetration and service submitted with other previously approved FOM group.
 - 5c. documentation that applicant gave written notice to all other credit unions (state and federal) headquartered in WA, that have staff office in any county in which the offices of the enterprise is located. Credit unions receiving notice have 20 days following receipt of the notice to submit comments to the Division.
6. WAC 208-472-025 (3) If applicant can not obtain letter of non-objection, submit documentation:
 - 6a. required number (see WAC 208-472-015 (8)) of enterprise employees desire membership in applicant credit union.
 - 6b. the other credit union failed to adequately serve group after a reasonable period of time and how the applicant plans to improve this service.
 - 6c. send a copy of 8a. and 8b. to the other credit union, and provide 60 days after receipt of the information to allow the other credit union to comment to the Division.
7. #6 above does not apply to overlaps from merger-type transactions between enterprises.
8. If the request involves an **overlap**:
 - ___ 8a. WAC 208-472-070 (2) at least 20 days have passed since the applicant gave notice to the other credit union. (also see WAC 491-472-025 (2))
 - ___ 8b. WAC 208-472-070 (3) at least 60 days have passed since the applicant supplied required information about the other credit union not adequately serving the association. (also see WAC 208-472-025 (3)).

9. WAC 208-472-070 Must inform the applicant within 30 days of original application, if the application is deemed incomplete and further information is necessary.

Additional notes regarding approval:

1. DFI director provide approval or denial within 60 days (see RCW 31.12.115 (1)) of complete application, considering the following general criteria and other issues or facts relevant to the application:

- 1a. WAC 208-472-075 (1) application is consistent with RCW 31.12 and WAC 208-472
- 1b. WAC 208-472-075 (2) applicant is currently operating in conformance with provisions of RCW 31.12, applicable WACs, written supervisory orders, directives, and agreements.
- 1c. WAC 208-472-075 (3) proposed new group possesses common bond of occupation as defined in WAC 208-472-015.
- 1d. WAC 208-472-075 (4) whether the enterprise as proposed new group has sufficient size and resources to form a credit union of its own.
- 1e. WAC 208-472-075 (5) applicant is in safe and sound condition, possesses financial and managerial capability to provide service to new group in safe and sound manner.
- 1f. WAC 208-472-075 (6) applicant has complied with plans on penetration and service submitted with previously approved FOM group applications.
- 1g. WAC 208-472-075 (7) whether approval of application might reasonably threaten viability of another credit union.
- 1h. WAC 208-472-075 (8) applicant is not using inclusion of group as marketing strategy to preempt expansion by other credit unions
- 1i. WAC 208-472-075 (9) approval would adversely impact safety and soundness of the applicant.

2. DFI director can waive one or more provisions of WAC 208-472 if emergency exists which requires immediate inclusion of separate group in order to preserve viability of applicant and request has reasonable probability of remedying an emergency situation.